

NC Department of Revenue

Agency Utility Management Plan

Fiscal Years 2020-2025

Prepared by Business Services and Support
February 2021

Executive Summary

The Department of Revenue (DOR) administers the tax laws and collects taxes due in an impartial, consistent, secure and efficient manner to fund public services benefitting the people of North Carolina. As a cabinet agency, the Department is fully committed to supporting Executive Order 80 and working with other agencies to meet the established goals:

- Reduce statewide greenhouse gas emissions to 40% below 2005 levels
- Increase the number of registered, zero-emission vehicles to at least 80,000
- Reduce energy consumption per square foot in state-owned buildings by at least 40% from fiscal year 2002-2003 levels

This document outlines the agency's Utility Management Plan in support these goals.

Background

The main DOR facility is state-owned and maintained by the Department of Administration (DOA). The DOR also has 13 remote offices across the state which are leased facilities. Actions identified in the utility management plan address initiatives associated with the main building as well as the remote offices. Operationally, the agency will evaluate impacts of climate change on programs with the intention of integrating climate change mitigation and adaption practices into our operations. Participating as a member of the North Carolina Climate Change Interagency Council will provide an opportunity to collaborate and share ideas across agencies to enhance DOR programs and initiatives associated with the executive order.

Utility Management Plan 2020 - 2025

Focus Area 1: Comprehensive Plan	
Strategy 1.	Provide energy saving project recommendations in the DOR Repair and Renovations Request to DOA
Strategy 2.	Update internal plans to reflect energy efficiency strategy and support for Executive Order 80
Strategy 3.	Work with the State Energy Office (SEO) to assist with review of strategy and timeline
Strategy 4.	Continue to provide internal education and update existing marketing plan to support the strategy
Strategy 5.	Implement Plan

2020-2025 Planned Activities	Expected Measurement	Assigned To	Occurrence
Meet with SEO to develop content for the plan	Discuss the Utility Management Plan content and focus areas	Agency Designee, Energy Manager and SEO staff	As needed
Evaluate operations to identify potential energy savings initiatives	Create list of planned and potential future initiatives to be included in the Utility Management Plan	Agency Designee, Energy Manager and Agency Staff	Annually
Update Utility Management Plan	Complete the plan and timeline for the agency and submit plan to SEO	Agency Designee, Energy Manager and staff	Due March 1, 2021
Participate in Energy Manager meetings with other State Agency's to share ideas	Attend monthly meetings and provide updates on Utility Management Plan progress	Energy Manager	Monthly
Meet with stakeholders and internal teams to implement initiatives included in the plan	Designate a team or teams to implement portions on the plan	Agency Designee, Energy Manager and staff	Quarterly
Update existing marketing and communication program	Continue to improve and implement program	Agency Designee, Energy Manager and staff	Annually
Review Utility Management Plan progress	Review plan; revise and adjust initiatives and timelines as needed	Agency Designee, Energy Manager and staff	Quarterly
Update R&R Requests to recommend energy saving projects to support Executive Order 80	Work with DOA to help prioritize recommended energy saving projects.	Energy Manager and DOA	Annually

Focus Area 2: Initiatives to Implement

Strategy 1.	Review opportunities with staff to determine high priority initiatives		
Strategy 2.	Work with staff to determine the best timeframe to implement initiatives		
Strategy 3.	Create a schedule for planned initiatives		
Strategy 4.	Communicate initiatives to staff		
Strategy 5.	Implement initiatives		
2020-2025 Planned Activities	Expected Measurement	Assigned To	Occurrence
HVAC improvements	Support DOA in installing new fans in primary air handling units	Energy Manager and DOA	FY 2022
Evaluate aging equipment in various areas and develop a master plan for replacement	Replacement of aging equipment based on funding availability (CRAC Units replaced in Scan Room and UPS replacement)	Energy Manager, DOA and staff	FY22 – CRAC Units FY25 – UPS Replacement
Downsize Headquarters Data Center footprint	Continue consolidating server equipment to save energy in our Data Center	Energy Manager and staff	Ongoing through FY23
Modify lighting timers at HQ facility	Work with DOA to have lighting timers adjusted by floor to cut down on light usage	Energy Manager and DOA	May 2021
Promote teleworking; review and revise agency telework policy	Updated telework policy; Continued replacement of desktops with laptops	Agency Designee and staff	Annually
Continue to evaluate potential use of ZEVs	Review use of long term lease and motor fleet vehicles; Review and update internal policies	Agency Designee and staff	Annually
Promote electronic filing	Increase in electronic filing, reduction in time scanners operate	Agency Designee and staff	Annually

Focus Area 3: Marketing and Communication Plan

Strategy 1.	Identify marketing and communication initiatives
Strategy 2.	Work with team to identify delivery methods
Strategy 3.	Create a schedule for marketing and communications
Strategy 4.	Develop and Implement initiatives

2020-2025 Planned Activities	Expected Measurement	Assigned To	Occurrence
Maintain internal employee education campaign	Employee awareness of Executive Order 80 and opportunities to support energy efficiency	Agency staff	Annually
Update marketing plan for electronic filing	Identification of action items to support increased electronic filing	Agency staff	Annually

Focus Area 4: Remote Office Energy Savings (Leased Facilities)

Strategy 1.	Identify opportunities to downsize leased space
Strategy 2.	Work to identify jobs eligible for permanent teleworking
Strategy 3.	Develop and Implement Initiatives

2020-2025 Planned Activities	Expected Measurement	Assigned To	Occurrence
Downsize the footprint of Charlotte Office	Move from occupying 24,000 square feet to less than 10,000 square feet.	Agency Designee and staff	FY22
Close Service Center in Winston Salem	Transition employees from the Winston Salem office to other offices, or move employees to permanent teleworking.	Agency Designee and staff	FY21
Analyze space needs for remaining remote offices to identify opportunities to reduce footprint	Reduction in square footage for remote offices as leases expire	Agency Designee and staff	Annually

Agency Accomplishments since March, 1 2019

- In 2019, the Department of Revenue supported the Department of Administration (DOA) in making HVAC upgrades to the main DOR building. The project included replacement of the outdated controls tied to the HVAC system. This project supports the Executive order by making the HVAC system more energy efficient as well as make it easier to regulate temperature throughout the facility.
- The Department of Revenue funded and upgraded lighting in several locations throughout the main facility. These changes included moving from high energy use lighting to LED lighting in the rotunda areas on each floor and the secretary's conference room. The agency continues working with DOA to move towards replacing lights in other areas of our main building with LED lighting.
- The Department of Revenue funded and upgraded several outdated Power Distribution Units (PDU) throughout the main facility. With the assistance of DOA, the agency has a better utilized power distribution system, one less PDU, and a better source of redundant power to critical equipment.
- The Department of Revenue funded the replacement of outdated computer room air conditioning (CRAC) units located inside the main data center. With the assistance of DOA, one CRAC unit inside the Data Center was downsized resulting in better utilization and efficiency of air flow. The new CRAC units work together with a digital network connection that can turn off or slow down the speed in which the CRAC units cool (not always running at 100% cooling). The older units did not have the ability to regulate the temperature in the same way. The new equipment is helping save energy while still accommodating temperature requirements inside the data center.



Newly installed equipment inside of our Data Center

- The most significant impact this thus far has been the agency's increase in teleworking. A new policy was created and implemented. In March 2020, an estimated 5% of the agency was part-time or full time teleworking. As a result of Covid-19, the agency quickly took action to move employees to teleworking while maintaining agency

operations and service levels. To date, approximately 90% of employees are teleworking. Due to the number of employees able to telework, overall power usage in the main facility has been reduced.

- The Department of Revenue has been able to transfer the majority of long term rental vehicles to hybrid vehicles and continues focusing on switching out the remaining vehicles.
- The Department of Revenue created an internal employee education program about Executive Order 80 to include posters throughout all facilities as well as Intranet postings. The Digital Communication Division maintains an Electronic Filing Marketing Plan with the objective of increasing electronic filing for individual and business taxes. For tax year 2019, electronic filing increased by 3% for Individual Income Tax, 6% for Corporate Tax, and 9% for Partnership Tax. Increased electronic filing results in lower power consumption by the high speed scanning equipment.

NC Department of Revenue Agency Utility Management Plan

- The NC Department of Revenue recognizes that energy and water consumption can be managed for the benefit of our agency. Energy and water management is impacted by all employees and the responsibility of the Energy Manager for Department of Revenue with support from the Department of Administration.
- The Department of Revenue has developed an Agency Utility Management Plan. The Assistant Secretary of Business Services and Support is responsible for the success of the program for Department of Revenue.
- The Agency Utility Management Plan outlines the activities identified to support reduction in energy and water consumption goals with support from the Department of Administration.
- The Department will review progress and results and will support staff attendance at training in energy and water management.

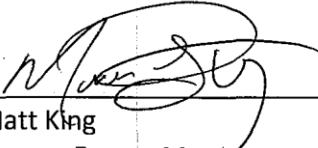
Agency Utility Management Plan Goals

- As required in Executive Order 80, NC Department of Revenue will support efforts to reduce energy consumption per square foot in state owned buildings by at least 40% below fiscal year 2002-2003 levels and reduce state-wide greenhouse gas emissions to 40% below 2005 levels.

Strategic Energy and Water Plan Mandate – Commitment

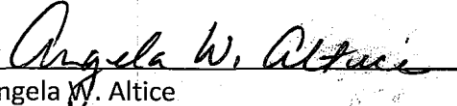
I have read the Agency Utility Management Plan for the NC Department of Revenue. The plan, as presented, supports the reduction goals in Executive Order 80.

Implemented this 28th day of February 2019
Updated this 24th day of February 2021



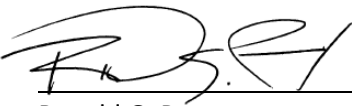
Matt King
Agency Energy Manager

3/1/2021
Date



Angela W. Altice
Assistant Secretary, Business Services and Support

3/1/2021
Date



Ronald G. Penny
Secretary, Department of Revenue

3/4/2021
Date